How good governance affects performance accountability in a local government

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ABSTRACT

This research aims to explore the impact of Good Governance on Performance Accountability, mediated by Accounting Information Systems (AIS) and Bureaucratic Reform within the Manggarai Regency Government, Indonesia. Data were collected through questionnaires distributed to public officials in the local government and analyzed using the Partial Least Squares (PLS) method. The results indicate that Good Governance significantly and positively affects AIS (β = 0.698, p = 0.000), bureaucratic reform (β = 0.646, p = 0.000), and performance accountability (β = 0.316, p = 0.035). Furthermore, Good Governance positively influences Performance Accountability through the AIS channel (β = 0.200, p = 0.044) and the Bureaucratic Reform channel (β = 0.371, p = 0.000). This underscores that implementing Good Governance principles can enhance the effectiveness and efficiency of AIS utilization and promote structural and systemic reforms in the bureaucracy, ultimately leading to improved performance accountability. The outcomes of this study offer valuable theoretical and practical insights, affirming the essential role of Good Governance in enhancing the accountability of local government performance. This research may serve as a foundation for formulating improved policies and practices in local governance, thereby enhancing governance quality and public service delivery.

Contribution/ Originality: Good governance plays a crucial role in strengthening public sector accountability, and there is a need to examine its impact through supporting mechanisms. This study investigates the mediating roles of accounting information systems and bureaucratic reform within the Manggarai Regency Government. It could inform future policies aimed at enhancing governance quality and improving public service delivery.

1. INTRODUCTION

The concept of "good governance" emphasizes law enforcement, accountability, transparency, public engagement, and effectiveness. Transparency requires that information on government policies, budgets, and decisions be readily available and easily accessible to the public (Sasongko, Bawono, & Prabowo, 2021; Widarni & Bawono, 2021). It enables the public to understand and monitor government actions, ensuring that the government does not take actions detrimental to the public interest. Public participation refers to the active involvement of the public in the decision-making process. Through participation, the public can convey their views, aspirations, and needs, which are more likely to be accommodated in government policies. Public participation helps develop more relevant policies that meet community needs (Singh, 2023). A process known as accountability ensures that public

servants are held accountable for the outcomes of their work. The public and authorities must be able to hold public officials responsible for their conduct. This accountability mechanism includes transparent performance reporting, audits, and evaluations. Effectiveness refers to the government's ability to efficiently achieve its goals and objectives, as well as provide high-quality services to the public. Law enforcement is the principle that the government carries out all its actions in accordance with applicable laws, and any violation of the law must be subject to appropriate sanctions. Consistent and fair law enforcement is essential to maintaining public trust in the government (Sofyani, Pratolo, & Saleh, 2022). When governance principles are applied, the government is expected to be more effective, efficient, and sensitive to public demand. Effective governmental practices can enhance resource management, improve public service delivery, and stimulate social and economic development. Moreover, good governance can restore public confidence in the government and increase public participation in development (Sari, 2023). Performance accountability refers to the degree of accountability of public officials for their performance outcomes. This mechanism includes regular performance reporting, active auditing, and objective evaluation of their activities. Through performance accountability, the public can assess to what extent the government has fulfilled its duties and whether the policies meet their expectations (Shava & Mazenda, 2021). According to Rana, Steccolini, Bracci, and Mihret (2022), performance accountability can encourage public officials to work harder and more effectively, as they are aware that their performance will be held to account. Manggarai Regency in East Nusa Tenggara Province, Indonesia, faces its own challenges in implementing the principles of Good Governance and enhancing performance accountability (Purnama & Sinaga, 2024). The regency is in its early stage of local democracy development, characterized by a low quality of political parties, a lack of transparency, and limited public participation. When accountability is limited, public officials tend to perform poorly or even abuse their positions and power. This research examines the performance accountability of the Manggarai government, with a focus on identifying areas for improvement. Specifically, it explores how accounting information systems (AIS), bureaucratic reform, and good governance interact to influence performance accountability. Furthermore, the application of the principles of Good Governance could be key to addressing the issue of performance accountability in the Manggarai region. The study's goal is to analyze the relationships between Good Governance (GG), Accounting Information Systems (AIS), Bureaucratic Reform, and Performance Accountability. Improved local accountability will depend on Good Governance, effective information systems, and civil service reform programs. On a practical level, the findings are expected to benefit the Government of Manggarai Regency in formulating and implementing policies that effectively increase performance accountability through the integration of Good Governance, a robust AIS, and bureaucratic reform. Theoretically, the study aims to enrich the literature on good governance, AIS, bureaucratic reform, and performance accountability in the context of Indonesian local government.

2. LITERATURE REVIEW

There is a distinct and separate division of functions in a bureaucracy. According to Weber (1947), bureaucracy, as it eliminates personal relationships, is a rational form of organization that solves complex administrative problems. According to Good Governance, Weber's (1947) statements are valid because they emphasize the need for order, structure, and responsibility in government governance. Bureaucracy has the power to reduce the chance of bias and overlooking information by being in a structured form and having laid down official laws. Moreover, it has been held that an effective bureaucracy may reduce tensions, wrongful use of power, and abuse of authority (Barbier & Tengeh, 2023). The contingency theory advocates the involvement of stakeholders in the exercise of governance to ensure accountability and effective performance. It is the most formal and routinized type of government, which struggles with responsiveness and flexibility (Shala, Prebreza, & Ramosaj, 2021). A strict structure is not natural and quite impractical in the face of modern realities. Whether a governing authority keeps up with a changing world determines whether it will survive a crisis and/or policy change in a country. Rashid and Ratten (2021) noted that capabilities in

this form of responsiveness are accurate. They hold the government accountable for making governance effective and responsive through their performance delivery.

The existence of public services is necessary for the effective functioning of a state. They include the complete list of services a state provides to its population, road and bridge construction and maintenance, information and information technology, and education and health systems. The theory of public services is most instrumental in good governance because it encapsulates the accountability of good governance and the transparency of public administration. Miao, Schwarz, and Schwarz (2021) suggest a balance between good public service administration and good governance. Members of these types of services expect to receive information in an evident and understandable form in times of need. Good governance means openness, people's participation, accountability, effectiveness, and the rule of law in the governance process (Hartanto, Dalle, Akrim, & Anisah, 2021). That is, those involved in the policy-making process and others must be given all relevant information, in accordance with the appropriate policy specifications, so that they can share their opinions. When citizens proactively participate, they take an active role in the decision-making process or the project. When there is accountability, government leaders are responsible for the outcomes of their actions. A government must be able to achieve its desired goals and objectives within a specified time frame (Draçi & Laska, 2023). Furthermore, according to Institutional Theory, efficiency is not always the primary goal of organizations in adopting structures and practices; rather, it is to gain legitimacy and survive within their institutional environment (DiMaggio & Powell, 1983). Isomorphic pressures, which include coercive (resulting from regulations and the state), mimetic (from imitating successes), and normative (stemming from professional standards), are likely responsible for this. Such coercive and normative pressures are found in the government sector and are aimed at achieving legitimacy, as promoted by the global Good Governance (GG) movement. Hence, this theory predicts that government organizations tend to initiate Bureaucratic Reform (BR) and adopt modern Accounting Information Systems (AIS) if they do not want to lose credibility and support.

The Resource-Based View (RBV) (Barney, 1991) explains how initial adoptions, as suggested by Institutional Theory, may lead to performance differences. According to the RBV, sustainable performance results from possessing valuable, rare, unique, and irreplaceable (VRUI) resources and capabilities. An accounting information system (AIS) is a software system that records, stores, manages, and processes accounting data. The adoption of modern AIS and the initiation of business processes are expected to create such resources and capabilities. The implementation of an efficient AIS can enhance the control of financial data, thereby facilitating effective decision-making and strengthening accountability mechanisms (Abdelraheem, Hussaien, Mohammed, & Elbokhari, 2021). An AIS also reduces the risk of fraud and budgeting errors, thereby increasing public confidence in government. The purpose of bureaucratic reform is to improve efficiency, effectiveness, and accountability in the management of government by means of structural and systematic changes. Bureaucratic reform is an effort to build a government that is professional, open, and responsive to changing conditions. It is essential to reform the bureaucracy to enhance performance accountability, strengthen accountability mechanisms, deliver quality public services, and reduce corruption (Pathony, Umam, Tamrin, Muiz, & Isfaatun, 2025). A reformed merit system for the selection and promotion of public servants will facilitate the appointment of well-trained and well-integrated individuals to key posts within the system. Additionally, the adoption of information and communication technology will enhance the public administration process and the delivery of public services by the government. Effective bureaucratic reform will create a conducive environment for the application of the principles of good governance and the improvement of accountable government performance. Performance accountability refers to public officials being held accountable for the outcomes of their work (Caihua & Saufi, 2025).

Transparency, participation, and open reporting of performance are three words that define performance accountability. Government performance accountability means that all public administrators must publicly account to officials of the government for the actions and decisions they take. According to Shava and Mazenda (2021) objective assessment, transparent auditing, and reporting are key elements for performance accountability. The public

learns about the government's performance in fulfilling its duties. Additionally, through performance accountability, individuals can assess whether the policies are meeting expectations. When public officials know they will be held accountable for their actions, they may be motivated to perform better and do more. Accountability for performance is one of the aspects of good governance. This accountability will guarantee transparency, participation, and responsiveness of the government. The successful implementation of performance accountability is expected to create a responsive, efficient, and effective government capable of meeting society's needs (Sofyani et al., 2022).

Another important theory, Agency Theory, addresses the asymmetric information problem that arises when a principal (the public) delegates work to an agent (a government agency) with differing interests, potentially leading to the agent's opportunism (Jensen & Meckling, 1976). Good governance principles and expected performance accountability may function as mechanisms that ensure agent actions align with principal goals. In this mechanism, the AIS becomes a key monitoring and reporting instrument that minimizes information asymmetry and provides the evidence base for holding agents accountable. The following summarizes how the theories underpin the empirical model employed. While Institutional Theory stresses why Good Governance pressures lead governments to adopt Accounting Information Systems (AIS) and Bureaucratic Reform (BR), the Resource-Based View (RBV) envisions AIS and BR not merely as passive adoptions but as active, strategic organizational capacities that guarantee performance gains. Agency Theory reinforces the link between these capabilities and the outcome by treating AIS as a key instrument for minimizing information asymmetry and ensuring that the public enjoys performance accountability delivered by the government agency. Together, these theories provide a coherent rationale for the proposed direct and mediating pathways in our model. Based on the literature, we state the following hypotheses.

H₁: Good governance has a positive impact on the Manggarai Regency Government's Accounting Information System.

H₂: Effective governance has a positive influence on bureaucratic reform within the Manggarai Regency Government.

H₃: Effective governance enhances the performance and accountability of the Manggarai Regency Government.

H₄: Effective governance enhances performance accountability via the Accounting Information System in the Manggarai Regency Government.

H₅: Effective governance positively affects performance accountability through bureaucratic reform in the Manggarai Regency Government.

3. METHODOLOGY

This study employs a quantitative, causal-relationship approach to measure variables objectively and use statistics to examine their relationships. The hypothesis on the causal relationship between bureaucratic reform, accounting information systems (AIS), performance accountability, and good governance is tested using the causal relationship technique. Questionnaires were used to collect data for this study, and the results were analyzed to examine how the factors under investigation related to one another. Figure 1 shows a conceptual framework.
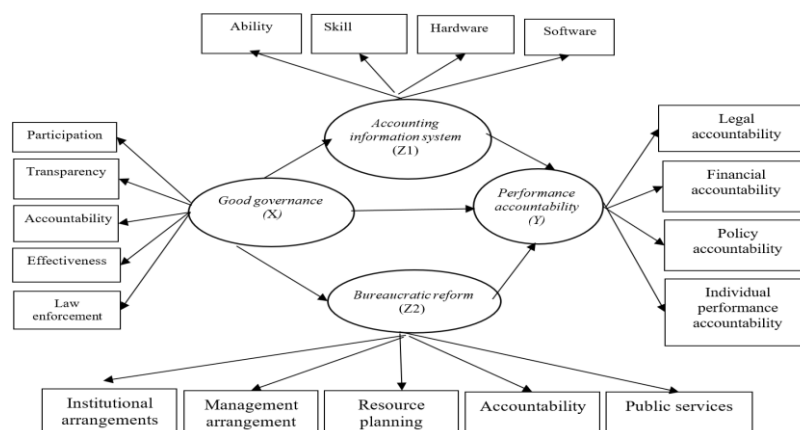

Figure 1. Conceptual framework.

Quantitative methods are chosen because they enable researchers to measure variables objectively and analyze relationships using statistical analysis. In a causal relationship approach, researchers aim to understand how these variables interact and influence one another. For instance, how the use of accounting information systems may increase government management's efficiency and accountability, or how implementing sound governance principles influences the accountability of local government performance. The variables in the study are as follows: Good Governance is quantified by indicators of transparency, public involvement, accountability, effectiveness, and the implementation of the law. Transparency means that information on government policy, budgets, and decisions must be readily accessible to the public. Public involvement refers to the active participation of citizens in the decision-making process. Accountability is a system that holds public officials accountable for the output of their efforts. Effectiveness is a measure of how well the government can meet set goals and objectives. Law enforcement is the doctrine that governing laws should enforce all activities of the government, and any infraction of the law must be subjected to corresponding sanctions.

Efficiency measures, information quality, and accessibility gauge the effectiveness of Accounting Information Systems (AIS). Efficiency is achieved by having AIS increase productivity and lower the cost of processing financial information. Information quality includes accuracy, relevance, and timeliness of information generated by AIS. Accessibility means that financial information generated by AIS should be accessible and comprehensible to stakeholders, such as the public. Bureaucratic reform can be quantified in terms of transparency, efficiency, responsiveness, and professionalism. Transparency means that processes and policies under the reform must be carried out openly and be traceable to citizens. Efficiency refers to the fact that bureaucratic reform must provide higher productivity and lower costs of government operations. The capacity of the government to respond quickly and effectively to changes in the environment and among individuals is referred to as responsiveness. Professionalism requires that public servants are highly qualified and of the highest integrity in the performance of their duties.

Performance accounting is measured using performance reporting indicators, auditing, evaluation, and formal accountability. Public officials are required to report publicly and make their work products publicly available periodically, which is considered performance reporting. Auditing is an activity undertaken by a third party to verify that public officials' financial and performance reports are accurate and in accordance with accountability requirements. Accountability is the mechanism through which public officials are held accountable for measuring how well they have achieved the set objectives and purposes. Both primary and secondary data are used in this investigation. Questionnaires were administered to public officials in the Manggarai Regency Government to collect primary data. This questionnaire was designed to measure respondents' perceptions of the variables studied. The questionnaire includes questions on various aspects of Good Governance, SIA, Bureaucratic Reform, and Performance Accountability. For instance, concerns regarding responsiveness and professionalism in bureaucratic reform, the effectiveness and information generated by SIA, public involvement in the decision-making process, and transparency in budget management.

Secondary data were obtained from government reports, financial reports, and papers related to the research theme. Local government performance assessment reports, policy implementation reports, and other documents containing statistical data constitute government reports. Budget implementation and local government fiscal management are reported in the financial reports. Other relevant materials were made available through research on Good Governance, SIA, Bureaucratic Reform, and Performance Accountability. This secondary data supplemented the analysis and interpretation of the study's findings, providing a solid theoretical basis for the study variables.

The data population consisted of government employees working in the Manggarai Regency. The census, which captures data from the entire population, was employed as the sampling method because there was a need for proper representation. Using the census technique is likely to produce results that accurately reflect how the study's factors interact. The census method also reduces the likelihood of bias when a portion of the population is used as the sample. To collect data from the entire population, the researchers ensured that the study results closely reflected the actual

situation within the Manggarai Regency Government. Volunteers were given a questionnaire to complete, which was used to collect data.

This survey was structured around questions designed to assess the factors under investigation. Data collection involved several steps to help reduce bias, including conducting a pilot test of questionnaires to ensure the questions were readable and understandable, training enumerators who would collect data and distribute questionnaires, and following up on the use of data collection to ensure adherence to procedures. Pre-testing of the questionnaire aimed to ensure that the questions were clear enough for respondents to comprehend and did not create any ambiguity. To ensure that the enumerators understood the aims of the study and what was required to complete data collection, they were trained.

Using Smart-PLS software, the Partial Least Squares (PLS) method was applied to analyze the collected data. PLS is used to test the validity and reliability of the research model, as well as the causal relationships among variables. Validity and reliability tests are employed in data analysis to determine whether the indicators used in this study are valid and reliable.

Validity is assessed by examining the correspondence between indicators and the variables being measured, whereas reliability is evaluated by examining the reproducibility of measurement outcomes. Structural model testing, i.e., the inner model, assesses causal relationships among the variables under study. Path analysis is used to determine the effect of each independent variable on the dependent variable, which is included in structural model testing. The proposed hypotheses are tested based on the results of the path analysis. The hypotheses are either rejected or accepted based on the statistical significance values obtained.

This research approach enables researchers to identify and examine the relationships among Good Governance, SIA, Bureaucratic Reform, and Performance Accountability. The outcome of this study would help the Manggarai Regency Government make recommendations on how to improve performance accountability through standards in Good Governance, the appropriate application of SIA, and consistent bureaucratic reform methods. This study aims to make significant contributions to academic journals and regional government policies and to provide practical recommendations for the Manggarai Regency Government to improve its performance.

4. DATA ANALYSIS

Table 1 presents the factor loadings for each item in the research model, a measure of the correlation between each item and the anticipated factor. The greater the factor loading estimate, the stronger the correlation between the item and the construct it measures. From the table, items of Good Governance vary from a high of X1.4, which is 0.731, to a low of X1.2, which is 0.535. This implies that all these items capture the construction of Good Governance to a significant extent, except for X1.2, which captures it only moderately. The highest factor loading for the Performance Accountability construct occurs at Y1, with a value of 0.814, indicating that the item effectively captures the construct model. Items Y2, Y3, and Y4 also have high loadings, but lower. Z1.1, Z1.2, Z1.3, and Z1.4 are the scale items for the Accounting Information System. Z1.1 has the highest factor loading (0.820), indicating a strong relationship with the construct, while Z1.3 has a lower factor loading (0.349) but remains significant. Bureaucratic Reform is operationalized by items Z2.1 to Z2.5, of which Z2.5 has the highest factor loading of 0.829, indicating a strong relationship with this construct. Generally, all the items have high P values, which means that they are reasonable measures of their respective constructs, but some of them capture weaker relations than others. Therefore, these factors suggest that this model is coherent in its study of the relationships among Good Governance, Accounting Information Systems, Bureaucratic Reform, and Performance Accountability.

Table 1. Factor loading values.

Path	Original (O)	Mean (M)	Std. Dev. (SD)	T-Statistic (O/SD)	P-Values
X1.1 <- X	0.724	0.722	0.061	11.801	0.000
X1.2 <- X	0.535	0.535	0.109	4.905	0.000
X1.3 <- X	0.665	0.664	0.066	10.141	0.000
X1.4 <- X	0.731	0.728	0.048	15.309	0.000
X1.5 <- X	0.730	0.728	0.050	14.512	0.000
Y1 <- Y	0.814	0.797	0.054	15.199	0.000
Y2 <- Y	0.684	0.688	0.072	9.565	0.000
Y3 <- Y	0.662	0.675	0.087	5.333	0.000
Y4 <- Y	0.666	0.663	0.083	7.974	0.000
Z1.1 <- Z1	0.820	0.819	0.029	28.699	0.000
Z1.2 <- Z1	0.726	0.718	0.064	11.359	0.000
Z1.3 <- Z1	0.349	0.334	0.141	2.464	0.014
Z1.4 <- Z1	0.776	0.773	0.049	15.841	0.000
Z2.1 <- Z2	0.624	0.617	0.098	6.335	0.000
Z2.2 <- Z2	0.513	0.502	0.092	5.573	0.000
Z2.3 <- Z2	0.672	0.674	0.071	9.431	0.000
Z2.4 <- Z2	0.719	0.716	0.055	13.008	0.000
Z2.5 <- Z2	0.829	0.828	0.037	22.401	0.000

Table 2. Average variance extracted (AVE).

Path	AVE
Good governance (X)	0.608
Performance accountability (Y)	0.752
Accounting information system (Z1)	0.706
Bureaucratic reform (Z2)	0.787

Table 2 shows the Average Variance Extracted (AVE). AVE values of all the study model constructs, Good Governance, Performance Accountability, Accounting Information System, and Bureaucratic Reform, are presented in Table 2. The AVE value indicates the quality with which the measures of a construct can explain the variance of the construct, and the value should be greater than 0.50 for good convergent validity. In the table, Good Governance recorded an AVE of 0.608, indicating that the construct explained over 60% of the variance of its indicators. Indicators employed in the present study are shown to be highly effective in measuring Good Governance. In contrast, Performance Accountability has an AVE of 0.752, indicating that over 75% of the variance of its indicators is explained by the construct, which shows excellent convergent validity. The Accounting Information System, with an AVE of 0.706, also demonstrates good convergent validity, as over 70% of the variance of its indicators is explained by the construct. Bureaucratic Reform has the highest AVE value of 0.787, meaning that nearly 79% of the variance of its indicators is accounted for by this construct, indicating excellent convergent validity. The constructs in this study exhibit good convergent validity, as indicated by a collective AVE of 0.50 or higher, suggesting that the indicators can adequately measure the constructs. This ensures that this model can be relied upon to analyze the interrelationships among performance accountability, accounting information systems, bureaucratic reform, and good governance in local government. Data Reliability is presented in Table 3.

Table 3. Data reliability.

Path	Cronbach's alpha (CA)	Rho-A	Composite reliability (CR)
Good governance (X)	0.749	0.747	0.886
Performance accountability (Y)	0.731	0.751	0.843
Accounting information system (Z1)	0.704	0.728	0.821
Bureaucratic reform (Z2)	0.722	0.753	0.802

Table 3 presents data reliability for Good Governance, Performance Accountability, Accounting Information Systems, and Bureaucratic Reform constructs in the model is assessed using three main measures: Composite Reliability (CR), Cronbach's Alpha (CA), and Rho-A. The CA values for all constructs exceed 0.70, indicating that the indicators are reliable relative to one another. The Governance construct demonstrates very high reliability, with a CA of 0.749, a Rho-A of 0.747, and a CR of 0.886. Performance Accountability also shows good reliability, with a CA of 0.731, Rho-A of 0.751, and CR of 0.843. The Accounting Information System construct demonstrates adequate reliability, with a CA of 0.704, Rho-A of 0.728, and CR of 0.821. Conversely, Bureaucratic Reform yields a Cronbach's Alpha of 0.722, Rho-A of 0.753, and a Composite Reliability of 0.802, indicating good reliability. Overall, these measures suggest that the constructs in this research are reliable, and the indicators used exhibit fair internal consistency. This confirms that the data collected from these indicators are trustworthy in assessing the relationship between Good Governance, Accounting Information Systems, Bureaucratic Reform, and Accountability for Performance within the local government environment. The R-Square is presented in Table 4.

The R-squared, which measures Performance Accountability (Y), is 0.635, indicating a good fit of the research model. R-squared is a measure that indicates the degree to which the independent variables within the model explain variance in the dependent variable. In this research, the R-squared of 0.635 for the Performance Accountability (Y) construct indicates that independent variables such as Good Governance, Accounting Information System, and Bureaucratic Reform account for 63.5% of the variance in Performance Accountability. This figure suggests that the model effectively explains the variations observed in the Performance Accountability construct. In essence, a significant portion of the variability in Performance Accountability is elucidated by the examined factors, highlighting the relevance and substantial contribution of the selected independent variables to enhancing Performance Accountability within the local government context. Furthermore, it is noteworthy that 36.5% of the variance in Performance Accountability remains attributable to other factors not encompassed in this model, indicating areas that may warrant further investigation in subsequent research. Overall, the R-squared value of 0.635 indicates strong explanatory power for the Performance Accountability construct.

Table 4. Inner weight.

Path	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
X -> Y	0.316	0.330	0.150	2.112	0.035
X -> Z1	0.698	0.708	0.052	13.388	0.000
X -> Z2	0.646	0.655	0.046	13.937	0.000
Z1 -> Y	0.287	0.288	0.129	2.225	0.027
Z2 -> Y	0.575	0.577	0.127	4.540	0.000

The results of hypothesis and structural model testing, based on the inner model, provide an in-depth understanding of the causal relationships among the variables in this study (Table 4). With an original sample value of 0.698, t-statistics of 13.388, and P-values of 0.000, good governance significantly improves the accounting information system (AIS), supporting the acceptance of the H1 hypothesis. Additionally, bureaucratic reform benefits greatly from good governance, as evidenced by the H2 hypothesis's original sample value of 0.646, t-statistics of 13.937, and P-values of 0.000. In addition, good governance has a positive and significant effect on performance accountability, with an original sample value of 0.316, a t-statistic of 2.112, and a P-value of 0.035, which confirms the H3 hypothesis. With an original sample value of 0.287, a t-statistic of 2.225, and a P-value of 0.027, the test also demonstrates that SIA significantly improves performance accountability, confirming the H4 hypothesis that good governance influences performance accountability via SIA. With an original sample value of 0.575, t-statistics of 4.540, and P-values of 0.000, bureaucratic reform also significantly improves performance accountability, supporting the H5 hypothesis that bureaucratic reform influences performance accountability through good governance. Overall, these findings show that the Manggarai Regency Government's performance accountability is enhanced, both directly

and indirectly, through the application of good governance concepts, thereby strengthening SIA and bureaucratic reform. This underlines the importance of good governance in creating a more efficient, transparent, and accountable government.

Table 5 displays the findings of the total effects in the research model, examining the overall impact of the independent variables on the dependent variables via the mediators already in place. In this context, we examine the total influence of Good Governance on Performance Accountability through two mediators: Accounting Information System (Z1) and Bureaucratic Reform (Z2). Initially, the pathway from Good Governance (X1) to the Accounting Information System (Z1) and subsequently to Performance Accountability (Y) yields an original value of 0.200, a mean of 0.207, a standard deviation of 0.099, a t-statistic of 2.024, and a P-value of 0.044. T-statistics exceeding 1.96 and P-values below 0.05 indicate that the relationship is statistically significant. This suggests that Good Governance positively impacts Performance Accountability through the Accounting Information System, thereby supporting the hypothesis that the application of Good Governance principles enhances the effectiveness and efficiency of AIS, which subsequently boosts Performance Accountability.

Table 5. Total effects of independent variables.

Path	Original (O)	Mean (M)	Std. Dev. (STDEV)	T-Statistic (O/STDEV)	P–Values
X1 -> Z1 -> Y	0.200	0.207	0.099	2.024	0.044
X1 -> Z2 -> Y	0.371	0.379	0.093	4.006	0.000

Furthermore, the pathway from Good Governance (X1) to Bureaucratic Reform (Z2) and then to Performance Accountability (Y) yields an original value of 0.371, a mean of 0.379, a standard deviation of 0.093, a t-statistic of 4.006, and a P-value of 0.000. The t-statistic values, significantly above 1.96, along with the very low P-values (below 0.05), indicate that this influence is highly significant. This demonstrates that Good Governance positively affects Performance Accountability through Bureaucratic Reform. In other words, the application of Good Governance principles encourages more efficient, transparent, and accountable Bureaucratic Reform, ultimately improving the Performance Accountability of local governments. Overall, these results indicate that Good Governance plays an essential role in enhancing Performance Accountability, both through the Accounting Information System and Bureaucratic Reform. The application of Good Governance principles not only has a direct impact but also has a significant indirect influence through improving the information system and bureaucratic structural reform. This highlights the importance of implementing good governance to create a more efficient, accountable, and effective government. Table 6 presents the Indirect Effect.

Table 6. Indirect effect.

Path	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T-statistics (O/STDEV)	P–Values
Good governance -> SIA -> Performance accountability	0.2	0.207	0.099	2.024	0.044
Good governance -> Bureaucratic reform -> Performance accountability	0.371	0.379	0.093	4.006	0.000

Table 6 presents the findings of the study model's indirect effect analysis, assessing the independent variable's indirect impact on the dependent variable via the existing mediator. In this context, the indirect influence of Good Governance on Performance Accountability through two mediators, the Accounting Information System (AIS) and Bureaucratic Reform, is observed. The route with an original value of 0.200, a mean of 0.207, a standard deviation of 0.099, a t-statistic of 2.024, and a P-value of 0.044 indicates that Good Governance, AIS, and Performance

Accountability have a significant influence. This is evidenced by t-statistic values greater than 1.96 and P-values less than 0.05. The results demonstrate that improving the efficacy and efficiency of AIS usage benefits performance accountability through the implementation of sound governance principles. In other words, Good Governance not only directly affects Performance Accountability but also exerts additional effects by enhancing the quality of AIS.

Second, the pre-value, Mean, standard deviation, t-statistic, and P-value for Good Governance -> Bureaucratic Reform -> Performance Accountability are 0.371, 0.379, 0.093, and 0.000, respectively. The effect is quite significant, as demonstrated by the value of the t-statistic, which is well above 1.96, and the very low P-values (<0.05). This illustrates how improving efficiency, accountability, and transparency in the Bureaucratic Reform process by applying sound governance principles improves performance accountability. That is, Good Governance promotes improved Bureaucratic Reform, and hence, local governments' Performance Accountability. Overall, under the condition that all else is equal, these findings indicate bureaucratic reform and accounting information systems as two of the most important channels through which good governance indirectly influences performance accountability. In addition to its direct effects, the application of sound governance principles also has additional benefits, including the strengthening of information systems and the reformulation of bureaucratic frameworks. This necessitates the application of good governance in practice to create an improved, efficient, effective, and accountable government with a broad reach in terms of performance and transparency.

5. DISCUSSION AND CONCLUSION

5.1. Discussion

The research aimed to analyze the influence of good governance on performance accountability through the accounting information system (AIS) and bureaucratic reform of the Manggarai Regency Government bureaucratic reform. The statistical findings yielded several relevant results that offer a glimpse of the causal effects among the variables under study. The structural model evaluation reveals that good governance has a positive and significant impact on the accounting information system and bureaucratic reform. The initial value is 0.698, with a t-statistic of 13.388 and a P-value of 0.000, indicating that the implementation of good governance significantly affects the effectiveness and efficiency of AIS utilization by the Manggarai Regency Government. Transparency, accountability, and public participation in good governance can enhance the quality of the accounting information system. Furthermore, good governance has a continuous positive effect on bureaucratic reform, with a value of 0.646, a t-statistic of 13.937, and a P-value of 0.000. The conclusion of this research indicates that the application of good governance principles has led to structural and systemic reform within the bureaucracy, thereby enhancing efficiency, responsiveness, and accountability in government actions. Moreover, the findings indicate that good governance impacts performance accountability, with a sample value of 0.316, a t-statistic of 2.112, and a P-value of 0.035. According to this, the use of good governance values can improve performance accountability through better reporting, measurement, and transparency processes. Good governance can positively impact performance accountability through AIS and bureaucratic reform, as proven by the indirect effect analysis. With t-statistics of 2.024 and P-values of 0.044, the Original Sample value for Good Governance, AIS, and Performance Accountability path is 0.200. This indicates that the increased efficiency and effectiveness of AIS implementation, due to good governance, support Performance Accountability. The Performance Accountability Bureaucratic Reformed Good Governance cycle also has a p-value of 0.000. The t-statistic is 4.006. The Original Sample value is 0.371. This means that the more accountable, transparent, and efficient the Bureaucratic Reform of Good Governance, the more it contributes to better Performance Accountability. In this study, we must consider the advantages and limitations of multiple viewpoints in relation to the topic. In the opinion of Hartanto et al. (2021), the principles of good governance should be implemented in Indonesia to increase public trust through the practical application of e-governance. Sari (2023) demonstrated that good governance enhances the effectiveness of public management decision-making, as evidenced by the findings of this research. Sofyani et al. (2022) highlight that the application of accountability and

openness in Indonesian village government is expected to build people's trust. Thus, it supplements the positive effect of good governance on performance accountability. No matter what, Rana et al. (2022) illustrated the existence of various problems in the performance audit of the public sector. The challenges of applying good governance principles are likely to pose constraints that may impede performance accountability. According to Miao et al. (2021), governments' responses to COVID-19 do not always align with the principles of good governance. Hence, there could be other determinants worth investigating. According to Zeng, Li, Zhou, and Wang (2022), environmental decentralization and e-finance have a greater influence on green technology innovation than the adoption of Good Governance. Other improvements to Performance Accountability may also be possible, as they already exist. The research outcomes have many important practical and theoretical implications. Based on the research, Good Governance is believed to be able to develop Performance Accountability through the efficiency and effectiveness of the Accounting Information System (AIS) and to trigger Bureaucratic Reform. According to existing theories, compliance with norms of good governance is likely to increase governance and promote transparency, accountability, and citizen participation. For this reason, the study adds to the literature and provides empirical evidence of the importance of Good Governance at the local government level. The results of this research are helpful to officials and policymakers in Manggarai Regency and to other places with similar characteristics. To begin with, it contributes immensely to the practice of Good Governance, as it has been proven to significantly enhance Performance Accountability (Rakhmawati & Wijaya, 2024). By applying Good Governance, local governments can improve public services and organizational effectiveness while enhancing accountability, transparency, and public participation.

We must utilize AIS to the fullest to enhance Performance Accountability in the organization. Each local authority must ensure that the AIS used is optimal in terms of accuracy, usability, and the ability to generate transparent and accountable reports. Training and competency development of personnel using AIS must be enhanced to ensure the efficient functioning of the system. The achievement of fostering performance accountability relies equally on transformation, which is an effective, accountable, and transparent bureaucracy. Steps or actions that can be used to achieve this goal include simplification of the work process, the use of technology in the administrative process, and improvement of worker capability through training and career advancement. The overall conclusion of the study demonstrates that the application of Good Governance would lead to a more efficient, better, and accountable government. Implementing good governance directly affects performance accountability and indirectly improves the quality of the AIS and the bureaucracy. As a result, the findings of this study provide a foundation for developing effective practices and policies for local governments. Furthermore, this also contributes to the government's overall Performance Accountability enhancement. Other factors might influence Performance Accountability. More research is needed to identify them and to validate findings from India across different countries. This will help us better understand how governance works and provide more information on future initiatives aimed at improving the quality of government.

5.2. Conclusion

This study demonstrates that, both directly and through the Accounting Information System (SIA) and bureaucratic reform, good governance significantly improves performance accountability in the Manggarai Regency Government. The analysis's findings demonstrate that SIA's efficacy and efficiency can be increased, greater bureaucratic reform can be encouraged, and performance accountability can be enhanced by implementing good governance concepts, including accountability, openness, and public involvement. These findings emphasize the importance of implementing good governance to create a more effective, efficient, and accountable government.

The research presents an empirically examined model of public sector reform, whose relevance extends beyond the local context of Manggarai and is also applicable internationally. Although the study concerns a specific regency in a remote part of Indonesia, its conclusions provide important lessons on achieving accountability in decentralized governance systems globally, especially in developing countries. In particular, the evidence suggests the importance

of comprehensive strategies that emphasize the interlink between Good Governance, technological tools (AIS), and administrative structures (Bureaucratic Reform). This clear, evidence-based model is readily replicable in other regions facing similar challenges for strengthening public institutions.

6. LIMITATIONS

Many limitations to this study should be considered. First, since the Manggarai Regency Government was the site of this study, the findings may not apply to other areas with distinct characteristics. These findings may not be generally applicable due to the influence of local settings and local government dynamics. Second, this study relies on respondents' views, using a quantitative approach and a questionnaire survey. Therefore, there is a possibility of subjective bias in respondents' answers, which may affect the study's results. In addition, this study examines only the relationship between Good Governance, Accounting Information Systems, Bureaucratic Reform, and Performance Accountability. At the same time, other factors that may also influence are not considered in this research model.

6.1. Future Research Suggestions

For further research, exploring other factors that may influence Performance Accountability, such as organizational culture, leadership, and employee motivation, is recommended. Research can also be conducted in different regions of Indonesia and other countries to determine whether these findings are generally applicable or specific to Manggarai Regency. Furthermore, longitudinal studies can shed further light on how Good Governance is implemented, how it evolves, and how it affects Performance Accountability. To better understand the steps and workings of implementing good governance and their impact on performance accountability, qualitative research can also be conducted. Thus, further research can enrich our understanding of the dynamics of governance and provide more comprehensive insights to improve the quality of governance in the future.

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